



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1125]

Certain Height-Adjustable Desk Platforms and Components Thereof;

Commission Determination Not to Review an Initial Determination Granting in Part a Motion for Summary Determination; Schedule for Filing Written Submissions on Remedy, the Public Interest, and Bonding

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“Commission”) has determined not to review the presiding administrative law judge’s (“ALJ”) initial determination (“ID”) (Order No. 33) granting in part a summary determination on violation of section 337 by certain non-participating respondents in the above-captioned investigation. The Commission is requesting briefing from the parties, interested government agencies, and interested persons on the issues of remedy, the public interest, and bonding.

FOR FURTHER INFORMATION CONTACT: Ronald A. Traud, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205-3427. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<https://www.usitc.gov>). The public record for this investigation may be viewed on the Commission’s Electronic Docket

Information System (“EDIS”) (<https://edis.usitc.gov>). Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission’s TDD terminal, telephone (202) 205-1810.

SUPPLEMENTARY INFORMATION: On July 30, 2018, the Commission instituted this investigation based on a complaint and supplements thereto filed on behalf of Varidesk LLC of Coppell, Texas (“Varidesk”). 83 FR 36621 (July 30, 2018). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain height-adjustable desk platforms and components thereof by reason of infringement of one or more claims of U.S. Patent Nos. 9,113,703 (“the ’703 patent”); 9,277,809 (“the ’809 patent”); 9,554,644 (“the ’644 patent”); and 9,924,793 (“the ’793 patent”). *Id.* The complaint further alleges that an industry in the United States exists as required by section 337. *Id.*

The Commission’s notice of investigation named thirty-one respondents: (1) Albeit LLC of San Francisco, California (“Albeit”); (2) ATC Supply LLC of Plainfield, Illinois (“ATC Supply”); (3) Shenzhen Atc Network Scienology CO., LTD. of Guangdong, China (“Shenzhen ATC”); (4) Best Choice Products of Ontario, California (“Best Choice”); (5) Huizhou Chang He Home Supplies Co., Ltd. of Guangdong, China (“Chang He”); (6) Dakota Trading, Inc. of Emerson, New Jersey (“Dakota”); (7) Designa Inc. of Guangdong, China (“Designa”); (8) Designa Group, Inc. of El Dorado Hills, California (“Designa Group”); (9) Eureka LLC of El Dorado Hills, California (“Eureka”); (10) LaMountain International Group LLC of Elk Grove, California (“LaMountain”); (11) Amazon Import Inc. of El Monte, California (“Amazon Imports”); (12) Hangzhou Grandix Electronics Co., Ltd. of Zhejiang, China (“Grandix”);

(13) Ningbo GYL International Trading Co., Ltd. of Zhejiang, China (“Ningbo GYL”); (14) Knappe & Vogt Manufacturing Co. of Grand Rapids, Michigan (“Knappe & Vogt”); (15) JV Products Inc. of Milpitas, California (“JV Products”); (16) Vanson Distributing, Inc. of Milpitas, California (“Vanson Distributing”); (17) Vanson Group, Inc. of Milpitas, California (“Vanson Group”); (18) S.P. Richards Co. DBA Lorell of Smyrna, Georgia (“Lorell”); (19) Nantong Jon Ergonomic Office Co., Ltd. of Jiangsu, China (“Nantong Jon”); (20) Jiangsu Omni Industrial Co., Ltd. of Jiangsu, China (“Jiangsu Omni”); (21) OmniMax USA, LLC of Anna, Texas (“OmniMax USA”); (22) Haining Orizeal Import and Export Co., Ltd. of Zhejiang, China (“Haining Orizeal”); (23) Qidong Vision Mounts Manufacturing Co., Ltd. of Jiangsu, China (“Vision Mounts”); (24) Hangzhou KeXiang Keji Youxiangongsi of Hangzhou, China (“Hangzhou KeXiang”); (25) Smugdesk, LLC of La Puente, California (“Smugdesk”); (26) Venditio Group, LLC of Elkton, Florida (“Venditio”); (27) Versa Products Inc. of Los Angeles, California (“Versa”); (28) Victor Technology, LLC of Bolingbrook, Illinois (“Victor”); (29) CKnapp Sales, Inc. DBA Vivo of Goodfield, Illinois (“Vivo”); (30) Wuhu Xingdian Industrial Co., Ltd. of Anhui, China (“Wuhu Xingdian”); and (31) Wuppessen, Inc. of Ontario, California (“Wuppessen”). *Id.* The Office of Unfair Import Investigations (“OUII”) was also named as a party in this investigation. *Id.*

During the course of the investigation, Varidesk settled with the following respondents: Venditio, Jiangsu Omni, OmniMax USA, Knappe & Vogt, Wuppessen, Victor, Versa, Designa, Designa Group, Eureka, Chang He, Vision Mounts, Vivo, Nantong Jon, Best Choice, Grandix, Hangzhou KeXiang, Lorell, and Dakota. Order No. 7, *unreviewed*, Notice (Sept. 18, 2018); Order No. 11, *unreviewed*, Notice (Sept. 25, 2018); Order No. 12, *unreviewed*, Notice (Oct. 4, 2018); Order No. 13, *unreviewed*, Notice (Oct. 4, 2018); Order No. 16, *unreviewed*, Notice (Nov.

9, 2018); Order No. 18, *unreviewed*, Notice (Nov. 29, 2018); Order No. 20, *unreviewed*, Notice (Feb. 21, 2019); Order No. 23, *unreviewed*, Notice (Mar. 12, 2019); Order No. 25, *unreviewed*, Notice (Apr. 5, 2019); Order No. 31, *unreviewed*, Notice (May 16, 2019). In addition, the investigation terminated as to LaMountain based on a consent order stipulation. Order No. 15, *unreviewed*, Notice (Oct. 22, 2018). The investigation has also previously terminated as to certain claims of each asserted patent. Order No. 30, *unreviewed*, Notice (May 13, 2019).

On April 11, 2019, Varidesk moved for summary determination of a violation of section 337 as to the remaining eleven respondents, who were served with a copy of the complaint, but have not filed a response or participated in the investigation. On April 24, 2019, Varidesk filed a supplement to the motion. The remaining respondents (collectively, “the Non-Participating Respondents”) are (1) Albeit, (2) ATC Supply, (3) Shenzhen ATC, (4) Amazon Imports, (5) Ningbo GYL, (6) JV Products, (7) Vanson Distributing, (8) Vanson Group, (9) Haining Orizeal, (10) Smugdesk, and (11) Wuhu Xingdian. On April 26, 2019, OUII filed a response supporting Varidesk’s motion in substantial part.

On September 13, 2019, the ALJ issued Order No. 33, the subject ID, and his Recommended Determination (“RD”) on remedy and bonding. The ID grants the motion in part. Specifically, the ALJ found, *inter alia*, (1) that Varidesk established the importation requirement as to each Non-Participating Respondent, except for Haining Orizeal; (2) that Varidesk established infringement as to all accused products and all remaining asserted claims (claims 1–2, 4, and 10–11 of the ’703 patent; claims 11, 16, 18, and 22–26 of the ’809 patent; claims 1, 4–5, 11–12, 26, and 33–36 of the ’644 patent; and claims 20–21 and 40–50 of the ’793 patent); and (3) that Varidesk satisfied the domestic industry requirement for each asserted patents. In addition, the ALJ recommended that the Commission issue a general exclusion order and impose

a 100 percent bond during the period of Presidential review. The ALJ also recommended the Commission not issue cease and desist orders directed to the Non-Participating Respondents.

Having examined the record in this investigation, including the ID, the Commission has determined not to review the ID. Thus, the Commission has determined that there is a violation of section 337 as to Albeit, ATC Supply, Shenzhen ATC, Amazon Imports, Ningbo GYL, JV Products, Vanson Distributing, Vanson Group, Smugdesk, and Wuhu Xingdian, but not as to Haining Orizeal.

In connection with the final disposition of this investigation, the Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue a cease and desist order that could result in the respondent being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or likely to do so. For background, see *Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843, Comm'n Op. at 7–10 (December 1994). In addition, if a party seeks issuance of any cease and desist orders, the written submissions should address that request in the context of recent Commission opinions, including those in *Certain Arrowheads with Deploying Blades and Components Thereof and Packaging Therefor*, Inv. No. 337-TA-977, Comm'n Op. (Apr. 28, 2017) and *Certain Electric Skin Care Devices, Brushes and Chargers Therefor, and Kits Containing the Same*, Inv. No.

337-TA-959, Comm'n Op. (Feb. 13, 2017). Specifically, if Complainant seeks a cease and desist order against a respondent, the written submissions should respond to the following requests:

1. Please identify with citations to the record any information regarding commercially significant inventory in the United States as to each respondent against whom a cease and desist order is sought. If Complainant also relies on other significant domestic operations that could undercut the remedy provided by an exclusion order, identify with citations to the record such information as to each respondent against whom a cease and desist order is sought.
2. In relation to the infringing products, please identify any information in the record, including allegations in the pleadings, that addresses the existence of any domestic inventory, any domestic operations, or any sales-related activity directed at the United States for each respondent against whom a cease and desist order is sought.
3. Please discuss any other basis upon which the Commission could enter a cease and desist order.

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve or disapprove the Commission's action. *See*

Presidential Memorandum of July 21, 2005. 70 FR 43251 (July 26, 2005). During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

Written Submissions: Parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding.

Complainant and OUII are requested to submit proposed remedial orders for the Commission's consideration. Complainant is also requested to state the date that the patents expire and the HTSUS numbers under which the accused products are imported. Complainant is further requested to supply the names of known importers of the products at issue in this investigation. The written submissions and proposed remedial orders must be filed no later than close of business on **November 13, 2019**. Reply submissions must be filed no later than the close of business on **November 20, 2019**. No further submissions on any of these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper copies to the Office of the Secretary by noon the next day pursuant to Commission Rule 210.4(f), CFR 210.4(f). Submissions should refer to the investigation number ("Inv. No. 337-TA-1125") in a prominent place on the cover page and/or the first page. (*See Handbook for Electronic Filing Procedures,*

https://www.usitc.gov/secretary/documents/handbook_on_electronic_filing.pdf). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted-non-confidential version of the document must also be filed simultaneously with any confidential filing. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) By the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes (all contract personnel will sign appropriate nondisclosure agreements). All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: October 29, 2019.

Lisa Barton,
Secretary to the Commission.

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